

leading powers for the introduction of the monetary reform into China, Professor Jenks was sent to that country as a special representative of the American Commission and spent there the greater part of the year 1904 in conference with Chinese officials and native and foreign bankers and business men. His report showed a keen interest and warm sympathy in his mission, but revealed the practical difficulties which have thus far prevented definite action by the Chinese Government. These difficulties were political as much as economic, arising chiefly from the lack of power in the central government to supersede the provincial coinage and currency systems established to the profit of the viceroys, and from the disinclination to employ foreign experts to manage the new system as derogatory to the national dignity of China.<sup>1</sup>

Notwithstanding these difficulties, the Chinese Imperial Government took several steps within the next few years to bring order into the monetary and banking system. In November, 1905, an Imperial decree provided for a uniform national coinage of silver, with the Kuping tael as the unit. It was proposed to deposit these coins with the Imperial Bank, which was to issue notes -against them, which were to be received by the provincial treasuries and the railway, telegraph, and shipping offices.<sup>3</sup> By degrees the use of sycee, the old "shoe currency," was to be abandoned and the old silver was to be received at the mints for recoinage. Action under this decree was, however, soon suspended and the matter was reserved for further consideration.\*

The creation of the Imperial Bank, at about the same time as the proposed reform in the coinage, was more effective. The first efforts, made in 1904, were not successful in attracting private capital. The government, however, paid in a small amount of capital, and the bank opened

<sup>1</sup> Cf. Jenks, Commission on International Exchange, 60-72.

See also the powerful report of the Chinese Minister to Russia, 190-200.

<sup>2</sup> Annual Report of the Director of the Mint, 197.

<sup>3</sup> Ibid.) 1907, 214.